

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED December 1, 2008	Applicant Identifier
<input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
5. APPLICANT INFORMATION			
Legal Name: State of Kansas		Organizational Unit: Department: Department of Commerce	
Organizational DUNS: 17-595-0815		Division: Rural Development	
Address: Street: 1000 S.W. Jackson, Suite 100		Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: Mr. First Name: Ken	
City: Topeka		Middle Name	
County: Shawnee		Last Name Morgan	
State: Kansas	Zip Code 66612-1354	Suffix:	
Country: United States of America		Email: kmorgan@kansasccommerce.com	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 48-6029925		Phone Number (give area code) (785) 296-3074	Fax Number (give area code) (785) 296-3776
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) See back of form for description of letters. Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) A. State Other (specify)	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 14-228 TITLE (Name of Program): Community Development Block Grant Program		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): State of Kansas		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Kansas Community Development Block Grant Program Neighborhood Stabilization Program	
13. PROPOSED PROJECT		14. CONGRESSIONAL DISTRICTS OF:	
Start Date: 01/01/09	Ending Date: 06/30/10	a. Applicant All Kansas Districts	b. Project
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 20,970,024.⁰⁰	a. Yes. <input type="checkbox"/>	THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON
b. Applicant	\$.⁰⁰		DATE:
c. State	\$.⁰⁰	b. No. <input checked="" type="checkbox"/>	PROGRAM IS NOT COVERED BY E. O. 12372
d. Local	\$.⁰⁰	<input type="checkbox"/>	OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
e. Other	\$.⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
f. Program Income	\$.⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 20,970,024.⁰⁰		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Mr.	First Name David	Middle Name	
Last Name Kerr		Suffix	
b. Title Secretary		c. Telephone Number (give area code) (785) 296-2741	
d. Signature of Authorized Representative		e. Date Signed December 1, 2008	

THE NSP SUBSTANTIAL AMENDMENT

<p>Jurisdiction(s):</p> <p>Small Cities CDBG Program, State of Kansas Department of Commerce, Rural Development Division</p> <p>Kansas Housing Resources Corporation, HOME Program.</p> <p>Lead Entity: Kansas Department of Commerce</p> <p>Jurisdiction Web Address: www.kansascommerce.com www.kshousingcorp.org <i>(URL where NSP Substantial Amendment materials are posted)</i></p>	<p>NSP Contact Persons: Carole Jordan, Ken Morgan</p> <p>Address: 1000 S.W. Jackson St., Suite 100, Topeka, KS 66612-1354</p> <p>Telephone: (785) 296-3074</p> <p>Fax: (785) 296-3776</p> <p>Email: kmorgan@kansascommerce.com</p>
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A. AREAS OF GREATEST NEED

On July 30, 2008, Congress passed the Housing and Economic Recovery Act (H.R.3221) (HERA). This act is being implemented by the U.S. Department of Housing and Urban Development (HUD) as the Neighborhood Stabilization Program (NSP). Through this program, governmental or non-profit entities will be authorized to purchase foreclosed properties from banks and/or other financial institutions. Said properties would, if necessary, be rehabilitated, and then sold to financially qualified individuals or families, thus achieving the main aim of HERA to reduce or eliminate the foreclosure crisis in America. The purpose of this Action Plan update is to implement the Neighborhood Stabilization Program.

The idea behind this program is multifold. First, banks and other lending institutions will have the opportunity to divest themselves of homes they hold due to foreclosure. Second, new homeowners who are at or below 120% of Area Median Income (AMI) will be given a chance to own a home at a discounted price. Third, local communities will receive the benefit of having once-abandoned properties utilized as family homes. Fourth, some properties bought under NSP will serve, in part, persons or families earning less than 50% of AMI. These goals, when combined, will help revive neighborhoods and benefit the housing market in Kansas.

Summary of Needs Data Explanation

The State of Kansas used data available from the HUD NSP website in determining the areas of greatest need, and the allocation methodology to grant NSP funds to each of the state's sub-grantees. In our analysis, we found the counties of Wyandotte, Sedgwick, Shawnee, and Johnson to have the greatest number of foreclosures in the state; the highest in Sedgwick County and lowest in Shawnee County. And, although it is one the richest counties in America, Johnson

County has a very high number of foreclosures. In addition, foreclosures are not limited to the major urban areas of Kansas. Other parts of the state are also impacted by foreclosures, and 17 counties will round out the State's NSP program.

In order to properly plan for this program, Commerce staff met with representatives from across the state on Oct. 20, 2008 in Topeka. During this meeting, Commerce staff gave an in-depth presentation describing the particulars of the NSP program. Area representatives were then asked to design their NSP programs based on local needs. Thus, each area completed the NSP Information By Activity form in the NSP Template in which they discussed each activity they propose to undertake. The only directive Commerce staff gave area representatives was to be as accurate and realistic as possible. The plans of action were due at the Department of Commerce no later than October 28, 2008.

Through the local plans, Commerce staff established a needs assessment that includes the number and costs of each of the activities that will be undertaken throughout the state of Kansas. Commerce staff summarized the information provided by the area representatives into a spreadsheet that details the eligible activities and dollar amounts (Exhibit A).

Commerce staff relied on HUD data found at www.huduser.org/publications/commdev1/nsp.html to help make sub-grantee allocation decisions.

B. DISTRIBUTION AND USES OF FUNDS

Section 2301(c) (2) of HERA states that: "HERA requires that funds be distributed to the areas of greatest need."

After discussions with the Kansas City Regional HUD office, Commerce staff was advised to distribute NSP funds proportionally based on the number of foreclosures in each county. The first step in the distribution process was to pare down the number of potential recipients of NSP funds. The counties and their corresponding foreclosure numbers were sorted based on the number of foreclosures. Commerce staff then determined that potential recipients must have at least 149 foreclosures in order to be considered an area of greatest need. The second step was to divide the foreclosure number of each county by the total foreclosure number for all 21 counties in the pool. This percentage was then multiplied by the available NSP funds, less state administration. The breakdown is as follows:

County Name	Estimated number foreclosures	Percent of foreclosures	\$20,341,135
Sedgwick Co.	3,783	22.57%	\$4,591,319
Johnson Co.	3,682	21.97%	\$4,468,739
Wyandotte Co.	2,979	17.77%	\$3,615,528
Shawnee Co.	1,340	8.00%	\$1,626,320
Leavenworth Co.	840	5.01%	\$1,019,484
Douglas Co.	458	2.73%	\$555,862
Butler Co.	449	2.68%	\$544,939
Reno Co.	437	2.61%	\$530,374
Miami Co.	360	2.15%	\$436,922
Franklin Co.	291	1.74%	\$353,178
Lyon Co.	235	1.40%	\$285,213
Crawford Co.	234	1.40%	\$283,999
Saline Co.	231	1.38%	\$280,358
Sumner Co.	214	1.28%	\$259,726
Cowley Co.	209	1.25%	\$253,657
Osage Co.	187	1.12%	\$226,957
Montgomery Co.	178	1.06%	\$216,034
Harvey Co.	177	1.06%	\$214,820
Jefferson Co.	174	1.04%	\$211,179
Geary Co.	153	0.91%	\$185,692
Cherokee Co.	149	0.89%	\$180,837
TOTAL	16,760	1	\$20,341,135

Sub-grantee Proposals

As mentioned above, Commerce staff asked each service area to provide their plans for using NSP funds. To that end, each community completed HUD's NSP Information-By-Activity form for each activity they wished to undertake.

Sub-grantees have requested \$50,855,310 to address some of the foreclosure-related needs in the state (Exhibit A). However, because the state allocation is only \$20,970,242, sub-grantees were asked to pare down their requests (Exhibit B). For those communities that were unable to respond to our request to modify their grant request, Department of Commerce staff made the necessary adjustments in order to bridge the gap between what was requested and what is available.

The modified requests spreadsheet was further modified to account for area distributions as determined above. Sub-grantees will be restricted to providing their proposed activities to the areas designated for Neighborhood Stabilization Program funding.

C. DEFINITIONS AND DESCRIPTIONS

Pursuant to K.S.A.12-1770a., the definition for blighted area includes blighted structure.

In the State of Kansas, a blighted area means an area which, because of the presence of a majority of the following factors, substantially impairs or arrests the development and growth of the municipality or constitutes an economic or social liability or is a menace to the public health, safety, morals or welfare in its present condition and use.

The majority of factors include a substantial number of deteriorated or deteriorating structures; a predominance of defective or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements; tax or special assessment delinquency exceeding the fair market value of the real property; defective or unusual conditions of title including but not limited to cloudy or defective titles, multiple or unknown ownership interests to the property; improper subdivision or obsolete platting or land uses; the existence of conditions which endanger life or property by fire or other causes; or conditions which create economic obsolescence; or has been identified by any state or federal environmental agency as being environmentally contaminated to an extent that requires a remedial investigations; feasibility study and remediation or other similar state or federal action; or a majority of the property in a 100-year floodplain area; or was previously found by resolution of the governing body to be a slum or a blighted area under K.S.A. 17-4742 et seq., and K.S.A. 17-4760 and amendments thereto.

K.S.A. 17-4760

(h) "Slum area" shall mean an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

K.S.A. 17-4760

(i) "Blighted area" shall mean an area (other than a slum area) which by reason of the presence of a substantial number of slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use: *Provided*, That if such blighted area consists of open land the conditions contained in the proviso in K.S.A. 17-4747(d) shall apply.

Affordability

Properties assisted through NSP and operated as affordable rental housing will utilize the current Fair Market Rents as published by the U.S. Department of Housing and Urban Development as the maximum rent limit (Exhibit D).

Grantees must obtain current Section 8 utility allowance for tenant-paid utilities, as established by the local public housing authority. In determining compliance with the above paragraph, the contract rent of the unit(s) shall not exceed the current Fair Market Rent minus the current Section 8 utility allowance.

Regardless of subsequent changes in fair market rents over time, the NSP rents for a project are not required to be lower than the rent limits for the project at the time of project commitment. Any increase in rents for NSP-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units no less than 90 days prior written notice before implementing any increase in rents.

Rental units shall be restricted to households at or below 120% of the AMI, and no more than 120% of AMI, as established annually by HUD. Priority should be given to providing rental units to individuals and families earning no more than 50% of AMI to ensure the sub-grantee addresses the 25% very low-income requirement of the program.

NSP-assisted rental units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants provided that actions are being taken to ensure that all vacancies are filled in accordance with the above requirements, until the noncompliance is corrected.

Continued Affordability for NSP assisted housing

To ensure continued affordability of NSP assisted rental housing, sub-grantees will be required to enter into contracts or restrictive covenants with any entities to which it sells or provides housing. Such contracts must ensure the continued affordability of the properties to persons within NSP affordability guidelines. However, sub-grantees will have the discretion to make a number of units available to persons earning up to 120% of the area median income, so long as at least 25% of the dwellings are provided to persons or households at or below 50% of AMI. The NSP assisted owner occupied dwelling units must remain affordable for a period of 10 years.

Sub-grantees must bear in mind Congress' mandate of providing up to 25% of NSP funds for the benefit of persons earning less than 50% of the grantee's area median-income.

Any NSP-assisted rental housing sold prior to the expiration of the 10-year affordability contract must be sold to an entity willing to maintain the affordability objective until the affordability contract clause has been satisfied. Rental property bought under NSP that is sold to a for-profit entity not willing to maintain the rental restriction must return the proceeds of the sale as program income to the U.S. Treasury.

The NSP-assisted rental units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership, and will be imposed by covenants running with the land, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The grantee may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

NSP Funding per Unit	Period of affordability in years
At or less than \$40,000	10
Over \$40,000	15

Owners must annually provide the grantee with information on rents and occupancy of NSP-assisted units to demonstrate compliance with this section. Sub-grantees will use section 8 Fair Market Rents as the maximum rent limit for NSP rental activities

D. LOW INCOME TARGETING

The State of Kansas will allow sub-grantees to serve persons or families in any of the three national objectives listed below for distributing the \$20,970,024 NSP funds. This will benefit persons/families earning no more than 120% of AMI. In addition, 25% of its allocation (\$5,242,561) will be expended exclusively for persons at or below 50% of AMI.

This national objective can only be used if the assisted activity:

- Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income (abbreviated as LMMH);
- Serves an area in which at least 51% of the residents have incomes at or below 120% of area median income (LMMA);
- Serves a limited clientele whose incomes are at or below 120% of area median income (LMMC).
- Creates permanent rental housing for persons or families earning less than 50% of AMI.

E. ACQUISITIONS & RELOCATION

With the State of Kansas NSP program, 21 grantees intend to acquire and demolish properties in order to make them available for future development. These properties will be in areas of ≤ 80% of area median income, per the summary of the sub-grantees’ requests. Of these demolitions, some will be redeveloped into properties benefitting low-income persons and low to moderate and middle income persons. The exact number cannot be determined at this time. Also, the

state's 21 grantees have no way of knowing who may require relocation assistance. However, if relocation assistance is used, all rules and regulations will be followed.

Sub-grantees are discouraged from using Eminent Domain in order to acquire properties under this program. Sub-grantees are encouraged to seek legal advice prior to using Eminent Domain to acquire property under the Neighborhood Stabilization Program.

Purchase Discount

Section 2301(d)(1) of HERA limits the purchase price of a foreclosed home as follows:

Any purchase of a foreclosed upon-home or residential property under this section shall be at a discount from the current market appraised value of the home or property, taking into account its current condition, and such discount shall ensure that purchasers are paying below-market value of the home or property.

The State of Kansas Action Plan for the NSP program will define the purchase discount as follows:

- A. **Individual purchase transaction:** Individual foreclosed-upon home or residential property shall be purchased at a discount of at least 5% from the current market-appraised value of the home or property including allowable carrying costs and holding costs. Current appraised value and carrying costs are defined below.
- B. **The aggregate purchase discount** for all properties purchased by a sub-grantee with NSP funds during the 18-month use period shall be calculated in one of two ways:
 - a. Purchase of properties with a 15% discount with no regard to any bank holding and carrying costs.
 - b. Purchase of properties at 10% discount when a sub-grantee includes the holding and carrying costs in its negotiations with the bank or lending institution. The holding and carrying costs must be documented in writing for each property purchased and will be applied on a consistent basis.

Allowable holding and carrying cost and holding periods

- The average holding period for a property shall be determined by using the local average days on the market to sell real estate (residential or multi-family.) This number shall be determined from local statistics (local realtor statistics.)
- Carrying costs shall include, but not be limited to: taxes, insurance, maintenance, marketing, overhead, and interest.

Current market appraised value. The current market appraised value means the value of a foreclosed-upon home or residential property that is established through an appraisal made in

conformity with the appraisal requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer made for the property by a grantee, sub-recipient, developer or individual homebuyer. **Sub-grantees may not use a pre-existing appraisal to determine the current market value of any home or structure they wish to purchase with NSP funds.**

Eligible Uses of Funds

The State of Kansas NSP program intends to allow for all five eligible uses of the NSP funds. The eligible uses are stated below.

(A) Establish financing mechanisms for purchase and redevelopment of foreclosed-upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers.

- As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.
- Also, the eligible activities listed below to the extent financing mechanisms are used to carry them out.

(B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

- 24 CFR 570.201(a) Acquisition
 - (b) Disposition,
 - (i) Relocation, and
 - (n) Direct homeownership assistance (as modified below);
- 570.202 eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity).

(C) Establish land banks for homes that have been foreclosed upon.

- (a) Acquisition
- (b) Disposition

(D) Demolish blighted structures. 24 CFR 570.201(d)

Clearance for blighted structures only.

(E) Redevelop demolished or vacant properties. 24 CFR 570.201

- (a) Acquisition,
- (b) Disposition,
- (c) Public facilities and improvements,
- (e) Public services for housing counseling, but only to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties,
- (i) Relocation, and
- (n) Direct homeownership assistance (as modified below).
- 204 Community based development organizations.

NSP Grant fund reallocation

The Kansas State NSP action plan is allocating the \$20,341,135 to 21 counties with the greatest number of foreclosures in the state. At the end of the nine month initial grant period, any funds not committed to active projects will be reallocated to counties that have demonstrated the capacity to quickly use NSP funds. A grace period of 30 days will be given to those sub-grantees with active projects that have not been finalized. At the end of the 30-day grace period, all unused NSP funds will be reallocated to other counties in the state. In addition, counties not originally receiving an NSP allocation will be invited to submit a request to Commerce to undertake eligible NSP activities during the remaining time period.

Grant Administration Monies

The State of Kansas proposes to expend the allocated 10% administration monies of total grant funds in the following manner:

- 1.5% State of Kansas CDBG Program Administration
- 1.5% Kansas Housing Resources Program Administration
- 7% Grantee Program Administration

In addition, the same allocation of administration monies will apply to the administration of all additional projects funded out of Program Income.

Program Income

Program Income for the NSP program is defined in the federal CDBG regulations at 24 CFR 570.500(a). Certain additional limitations and requirements are also in Section 2301 of the Housing and Economic Recovery Act, 2008 (HERA) as it relates to the NSP program. In addition to those definitions, the State of Kansas will impose additional restrictions on the use of program income. These restrictions are:

1. All program income generated from the State NSP program must be returned to the State when received.
2. Once a grantee has awarded the amount of their original allocation, they will be allowed to submit eligible projects to the State that will be funded out of available program income on a first come – first served basis.

Demolition Activity

In an effort to ensure that NSP funds are spread across all eligible NSP activities, State staff has decided that no more than 10% of any sub-grantee's NSP funds may be spent on demolition activity.

Land Banks

Land Banks are an eligible activity under NSP. Several sub-grantees have determined they will operate land banks in their communities. At present the Unified Government of Wyandotte County/Kansas City, City of Topeka and the South Central Economic Development District have opted to operate a land bank. All other sub-grantees will have the opportunity to create land banks at a later date, pending approval from the Department of Commerce.

NSP Housing Quality Standards

I. Introduction

These physical guidelines for the rehabilitation of existing residential properties have been developed to provide minimum design and construction criteria on a statewide basis. The provisions are extended to serve as an important aid in carrying out the objectives of state and local programs for neglected and run-down properties. These objectives seek the large-scale physical, social, and economic regeneration of neighborhoods, which have, in general, seriously deteriorated. The goal of the Housing Quality Standards is to add 20 years to useful life to the housing unit, addressing issues that include health or safety threats and weatherization. All housing units receiving NSP assistance must comply with this standard unless local or sub-recipient standards are stricter.

The purpose and intent of the guidelines are threefold:

- To assure improved housing that is livable, healthful, safe and physically sound, and at the same time is low enough in cost for present neighborhood residents to afford.
- To provide an acceptable minimum level for residential rehabilitation based on performance, which has maximum flexibility to meet local conditions.
 - To encourage innovation and improved technology, which give the promise of reduced construction costs.

A. Contrast with New Construction Standards

These guidelines for rehabilitation are significantly different from standards for new construction. These deteriorating buildings were built many years ago by standards quite different from those practiced today. Former patterns of living and the use of space are now likely to be considered inefficient or inconvenient. Properties, in many cases, will have become substandard because of overcrowding, lack of sanitary conditions, and general neglect.

B. Other Codes and Regulations

These guidelines, while setting forth basic objectives and provisions specifically related to rehabilitation, shall not be construed as relieving the property owner,

project sponsor, or their builder of his/her responsibility for compliance with local ordinances, codes, and regulations, including established requirements of health officers or other authority having jurisdiction.

1. Local Codes - Where a local code, regulation or requirement is incomplete or does not fulfill the purpose and intent of these guidelines, this document or local standards derived from these guidelines shall apply.
2. Fire Administration Authorization Act of 1992 - This Act requires all dwelling units to be equipped with either hard-wired or battery-operated smoke detectors. Refer to this Act for additional guidelines for all housing other than single-family dwellings.

II. NSP Rehabilitation Standards (Includes Health & Safety, Weatherization, Livability and Marketability)

A. Health and Safety

1. Utilities: Utilities shall be provided for each property or project, including water, sewer, and electrical utilities. Approvable utilities include:
 - a. State approved city/Rural Water District (RWD) or county supplied water, sewer, electrical, and gas utilities.
 - b. Privately owned water, sewer, electrical, and gas utilities that have been approved by the state and local public institutions for use for residential dwellings.
 - c. For structures connected to an on-site water well, water must be tested and meet water quality standards for drinking water as required by the Kansas Department of Health and Environment (KDHE) for public water supplies; or water supply must be connected to an on-site package disinfecting facility and water must not contain toxic substances determined, in the concentrations present, to be harmful to human health by the KDHE or the Environmental Protection Agency.
 - d. For structures connected to existing on-site septic systems, the design of the system shall ensure that effluent from the septic system and disposal field is not discharging into public and private drinking water supplies, stagnating in pools on the surface, or backing up into the residences. For septic systems installed, grantees are required to obtain a permit from the applicable state agency involved. Construction specifications shall follow guidelines established by the applicable state agency.

- e. For structures connected to on-site propane tanks, propane lines connecting the tank to the building shall conform to Building Officials and Code Administrators (BOCA) codes.
 - f. Structures connected to gas, propane, water, electrical, or sewer shall be connected with piping or conduit that is not corroded, does not leak, or is otherwise not allowed by these standards. Bare steel gas lines must be inspected for safety by a local gas company and repaired, if necessary. The inspection report must be in each file.
2. Structural: All floors, stairs, ceilings, or other load bearing structural members shall be free of hazards that would indicate a potential for the building or individual members of the building to collapse.
 3. Roofs: Roofs shall be repaired or replaced if they have serious defects indicating the potential for structural collapse or if they allow the infiltration of significant amounts of water or air. If repaired, all critical joints in exterior roof construction shall be protected by appropriately installed sheet metal, flashing material, or rubberized roofing membrane.
 4. Weatherization: All water piping in non-insulated spaces shall be insulated so as to keep them from freezing. All foundation and mobile home crawl spaces shall be enclosed to prevent pipes from freezing in the winter. Pipes shall not be insulated with asbestos material. All asbestos insulating material shall be replaced with non-asbestos material or encapsulated with high-temperature paint or other Environmental Protection Agency (EPA) approved material.
 5. Lead-Based Paint: The issue of lead-based paint must be addressed in **every** house built prior to 1978 receiving rehabilitation assistance in all HUD programs according to the new regulations that went into effect on September 15, 2000. There are additional notification requirements, new standards that must be met for reduction or abatement of lead-based paint, and safe work practices and clearance must be adhered to in all rehabilitation. See Attachment 20 herein for the regulations, the Kansas program regarding certification of lead-based paint professionals, and the Kansas CDBG policy regarding the costs involved. These lead-based paint regulations are a part of the NSP housing standards and are applicable as to the amount of dollars spent on the housing rehabilitations activity.
 6. Heating Appliances: All mechanical equipment shall be inspected for faulty operation, fire, and other hazards. Repairs and replacement shall be made as needed and necessary to eliminate the hazard. Heating facilities shall be provided for each living unit. All new installations of heating appliances shall comply with the manufacturer's recommendations for

installation and placement. All gas, propane, liquid, and solid fuel burning appliances must be vented to the outer air.

Existing masonry chimneys or metal flues shall not have cracks or holes that permit smoke or fumes to be discharged. Deteriorated pipes or chimneys that have been determined by the inspector or the grantee to constitute a potential threat to the safety of the occupant shall be replaced. Existing unlined masonry chimneys which permit flames or fumes to be discharged should be removed and replaced with corrosion-resistant pipe, or, if not replaced, shall be lined with corrosion-resistant pipe one inch less in diameter than the interior of the chimney, or shall be lined with terra cotta. Vent pipes shall slope upward not less than 1/4" per foot.

Any asbestos-containing materials wrapped around vent pipes shall be removed or encapsulated with high temperature paint. Asbestos removal procedures shall conform to EPA regulations.

All heating applications shall be located in unconfined spaces that will provide adequate combustion air as recommended by the manufacturer of the appliances. Located in a confined space, adequate ventilation between the confined area and unconfined space shall be provided to allow adequate combustion air to enter the confined space.

7. Solid Fuel Burning Appliances: All existing chimneys and vents for solid fuel burning appliances shall be cleaned as part of the rehabilitation process. All chimneys and vents for solid fuel burning appliances shall terminate at least two feet above any part of the roof located horizontally with ten feet of the chimney or vent.
 - a. Metal Flues: (1) Solid fuel burning appliances (wood, coal, etc.) shall be vented so that single walled pipe shall have at least 16" clearance from combustible material; (2) double walled pipe shall have at least 8" clearance from combustible material; and (3) triple walled pipe shall have at least 2" clearance from combustible material. Double walled insulated stainless steel pipe shall have at least 3" clearance from combustible material. All pipe-venting solid fuel-burning appliances shall have been approved by Underwriters Laboratories to withstand heat of 1,500 degrees or more for three hours. All galvanized pipe shall be of #10 thicknesses or of superior fire resistance.
 - b. Masonry Chimneys: Existing masonry chimneys being used to vent solid fuel burning appliances shall be constructed of at least 8" of solid masonry around the vent below the roofline and 4" of solid masonry around the vent above the roofline. Combustible material above the roofline shall have at least a 2" clearance from a

flue built of less than 8" of solid masonry. All such chimneys shall be lined with terra cotta or firebrick.

- c. Placement: Solid fuel burning heaters shall not be placed within 36" of any unprotected walls or within 18" of an unprotected floor. Protection of walls and floors may be provided with or without ventilated spaces between the protection and the wall. Ventilating spaces shall consist of one-inch space between a listed noncombustible material and the wall. Spacers and ties between the material and the wall shall be noncombustible and shall be resistant to heat conduction. Spacers shall not be placed between the appliance and the wall. With wall protection and ventilated space, clearance between the appliance and the wall may not be less than 12". With wall protection and no ventilated space, clearance between the appliance and wall may not be less than 24" unless more than 4" of solid masonry is used as the protection.
8. Plumbing: Plumbing systems shall operate free of clogging and shall not have cross connections that permit contamination of water supplies or back siphoning between fixtures.
 - a. Water and sewer lines shall be free of major leaks that cause serious and persistent levels of rust or contamination of the water, or which damage other elements of the building. All water lines in unheated areas shall be insulated so as to keep them from freezing.
 - b. All natural and liquid propane gas piping shall be free of leaks. Pipes feeding each individual gas fueled appliance shall have a shut-off valve. Gas lines shall be free of corrosion that potentially could cause a gas leak soft copper piping and other non-rigid piping shall not be used in replacing and installing natural gas lines. Soft copper piping used in installing or replacing propane gas lines shall not be located in areas where it is accessible to tampering by children or located in passageways where it can be potentially kicked, stepped on, or bent, so as to cause leakage of gas around flange connections.
 9. Electrical: Existing wiring and electrical equipment, where its continued service is contemplated, shall not be a potential source of electrical hazard or ignition of combustible materials. Wherever potential hazards are determined to be present, replacement of existing wiring or equipment shall be made. Existing facilities that are inadequate to meet anticipated demand shall be replaced to meet that demand. Inadequate facilities include the use of power strips if, more than two appliances are used regularly by that outlet. Hazards such as broken wiring, non-insulated wiring, frayed wiring, a light fixture hanging from an electrical wire without other visible means of support, missing cover plates on switches, outlets and junction boxes exposed to the occupants of the dwelling or

which are covered with combustible material, knob and tube, aluminum or obsolete wiring systems, badly corroded outlets, exposed fuse box connections, and overloaded circuits evidenced by frequently blown fuses, shall be eliminated.

- a. New electrical work shall be installed using the appropriate provisions of the National Electrical Code as it has existed within the last ten years. Not less than two general lighting circuits (15 amp.) and one appliance circuit (20 amp.) shall be provided.
10. Bathroom: Bathrooms must have a working commode for the exclusive use of the occupant. The commode must be connected to a water supply and sewer. The commode must not leak, have clogged water lines, or have a sewer line that is clogged or backs up.
 - a. Lavatory: Bathrooms must have a fixed washbasin or lavatory that is permanently and securely fastened to the wall. The lavatory must be equipped with hot and cold running water and have a working drain with a gas trap.
 - b. Bathtubs and Showers: Bathrooms must be equipped with a working tub or shower with hot and cold running water and have a working drain with a gas trap.
 11. Termite Treatment: Chemicals applied as a termite treatment shall only be applied to a house by a person that is a licensed commercial applicator. Persons who are licensed shall not assign persons who are not licensed responsibility for treating a house. Grantees shall keep documentation showing that the person chosen to undertake termite treatment is a licensed applicator. EPA has banned use of chlordane; therefore, it is also not allowed on NSP-funded rehabilitation projects.
 12. Materials: All materials shall be installed in locations and for purposes that are recommended by the manufacturer of the materials.
 - i. Smoke Detectors: All units shall be equipped with at least one hard-wired operating smoke detector (if the unit is being rewired) or a battery-operated smoke detector located near the sleeping quarters, and on each level of the house, including basement.
- B. Weatherization: All houses shall be equipped with the following weatherizing improvements:
- a. Windows: All windows shall be equipped with two layers of glass (storm windows count as one layer) and glass panes shall be intact. Windows shall not allow the significant entry of air or water into

the structure from around the windows, sashes, or window casings. Window casings that are replaced shall be filled with insulation.

- b. Doors: All exterior doors shall be weather-stripped. Weather-stripped doors that allow the significant entry of air or water into the structure shall be replaced or repaired to eliminate this problem.
- c. Ceiling Insulation: Ceiling insulation shall be provided over all habitable areas. Combustible materials, such as bead board or Styrofoam, shall not be used for attic insulation. All ceilings shall be insulated to at least R-30 or as can be determined for a particular structure using HUD's Cost Effective Energy Conservation Standards for Rehabilitation Projects.
- d. Side Wall Insulation: All side walls shall be insulated to R-11 or better or as can be determined for a particular structure using HUD's Cost Effective Energy Conservation Standards for Rehabilitation Projects. Walls in spaces heated with solid fuel-burning heating appliances are exempt from this requirement. Sidewall insulation shall not be installed using bead board, Styrofoam, or other combustible materials. When exterior walls are repaired by, removing existing sheathing or interior wall covering, insulation shall be provided to the exposed portion of the wall cavity; a vapor barrier shall be provided on the warm side of the cavity or furring when insulation is added.

C. Livability Standards

1. Access to the Unit

- a. Where access to the structure is outdoors and more than 12" above grade, steps shall be provided for all-weather access to the building and constructed so as to provide safety and reasonable durability.
- b. Where access to the unit is on the interior of the structure, each unit shall not have its only access through another unit.
- c. A primary entrance readily accessible to the handicapped in accordance with the provisions on ANSI A117.1 shall be provided to any residential structure intended for occupancy by the physically handicapped.

- 2. Dilapidated Elements: All dilapidated portions of existing properties which are not economically repairable or which are not of historic significance and which pose safety hazards to the occupants of the dwelling shall be removed from the building.

3. Dirt and Debris: Properties that are rehabilitated shall be free of dirt, debris, or other unsightly elements that are the result of the rehabilitation process.
4. Space Standards: Each living unit shall be provided with space necessary for suitable sleeping, cooking, dining, storage, and sanitary facilities and provide space of such size and dimensions so as to permit placement of furniture and essential equipment. There shall be at least one bedroom for every two residents, a kitchen, living room, and bathroom. Minimum sizes for these rooms are as follows:

<u>Room Dimension</u>	<u>Space</u>
Living Room	120 sq. ft.
Bedroom	70 sq. ft.
Bathroom	24 sq. ft.
Kitchen	30 sq. ft.

Total area required:

400 sq. ft. Minimum average ceiling height for all rooms: 7' 2 "

5. Light and Ventilation
 - a. Ventilation: Natural ventilation of spaces such as attics, enclosed basements, and crawl spaces, shall be provided by openings of sufficient sizes to overcome dampness and minimize the effect of conditions to decay and deterioration of the structure, and prevent excess heat in attics. Exterior openings shall be effectively screened where needed.
 - b. Ventilation of utility spaces: Utility spaces which contain solid, liquid, or gas-burning heat producing or air conditioning equipment shall be ventilated to allow adequate combustion air.
 - c. Windows: There shall be at least one operable window in the living room and bedrooms. Kitchens and bathrooms not having an operable window shall have a working ventilation system.
6. Doors and Access Openings
 - a. Exterior Doors: Exterior doors installed with the use of NSP funds shall have safety locks.
 - b. Stairways: All stairways shall provide for safety of ascent and descent and shall be equipped with handrails at an appropriate height for the owner of the residence. Risers shall not be more

than 12" in height and not less than 10" in width, unless conditions make the installation of risers less than 12" in height impossible.

7. Structural Components: All structural components of the building shall be in sound condition and considered serviceable for the expected full life of the rehabilitated buildings. Individual structural members in seriously deteriorated condition shall be replaced.
 - a. Ceilings: Ceilings shall not have large cracks or holes that allow significant entry of air into the unit. Ceilings shall not buckle or bulge, have missing parts or have loose surface materials other than paper.
 - b. Interior Wall Conditions: Interior walls shall not have loose structural members, large holes (over 1" X 1" in size), or allow the significant infiltration of air or water into the structure.
 - c. Floor Conditions: Floors shall not have threats to safety (e.g. tripping) or large cracks or holes that allow substantial drafts to enter the structure. Floors shall not significantly move under walking stress and shall not have damaged or missing parts such as: floor joists, band joists, plates, and sub-flooring.
 - d. Foundations: Foundations shall provide for the adequate support of structural members and loads placed upon them. Foundations shall prevent the entrance of water or excessive moisture. Serious defects shall be repaired and cracks effectively sealed. Foundation walls shall not allow the significant entry of ground water. "Significant" means that the majority of the basement floor or crawl space area is covered with ground water. Any new footings installed shall provide for subsurface drainage away from the foundation.
 - e. Drainage: Any deficiencies in proper grading, guttering, or paving adjacent to the building shall be corrected to assure surface drainage away from the basement or crawl space.
 - f. Exterior Walls: Exterior walls shall provide safe and adequate support for all loads placed upon them and shall prevent the excessive infiltration of air or moisture. Serious defects shall be repaired and cracks effectively sealed.
 - g. Roofs: All roofs shall have suitable watertight and reasonably durable covering free of holes, cracks, excessively worn surfaces or other defects that would indicate the potential for significant infiltration of air, water, or excessive moisture. Repairs to roofs shall be completed in accordance with new construction standards

unless the area to be repaired is less than 1/10 of the surface of the roof. If gutters, soffits, fascia, or other elements allow the significant entry of water or air into the structure, they shall be replaced to eliminate this problem. Roofs should not need replacement for at least a five-year period.

8. Kitchens and Baths

- a. Kitchens: Kitchens must be supplied with a sink that has hot and cold running water. Sinks should have a working drain with a gas trap and must be securely fastened to the wall. Kitchens must have a stove or a range with an oven. Top burners and oven must be operable. A refrigerator must be present and working and it must maintain a temperature low enough so that food does not spoil over a reasonable period of time.
- b. Bathrooms: Bathtub and shower bases shall be appropriately sealed to prevent water from damaging the floor. Bathroom floors shall be covered with a waterproof covering. Showers or tubs installed in housing for the elderly and handicapped shall be provided with two grab bars installed to sustain a dead weight of 250 pounds for five minutes. Tub or shower bottom surfaces shall be slip resistant. Shower enclosure areas shall be tiled or covered with a waterproof surface from the floor to five feet above the floor. Barriers shall exist between all drains and water supplies on bathroom fixtures to ensure that wastewater do not flood water supply systems.

9. Plumbing

- a. Domestic Hot Water heating and Storage: Each building or unit within the building shall have domestic hot water in quantities sufficient for the needs of the occupants. Existing water heating and storage equipment shall be in good serviceable condition. Water heaters shall not be installed in rooms designed and used for sleeping purposes. All fuel-burning water heaters shall be connected to a vent leading to the exterior of the building. As required for venting of heating equipment, vents shall not have cracks or holes that allow fumes to be discharged. All water heaters shall have a shutoff valve on the water supply line close to the heater. All water heaters shall have a temperature/pressure relief valve, and discharge pipe.
- b. Water and Sewer Lines: All water and sewer lines that have the potential for major leaks that could cause serious and persistent levels of rust or contamination of the water, or which potentially could damage other elements of the building, should be replaced.

Sewer lines servicing a building shall be equipped with a clean-out screw. Building wastewater shall be appropriately vented to the outside air to prevent the buildup of gases in the sewer lines. When using NSP funding, all water supply lines feeding toilets, sinks, showers, lavatories, hot water heaters, and other plumbing fixtures shall be installed with shutoff valves. All lead water and waste disposal lines shall be replaced with non-lead material. Lead-based solder shall not be used to connect copper water supply lines. Gas traps will be provided for washing machine waste disposal lines unless airtight connections have been made.

10. Mechanical: Heating facilities shall be provided for each living unit, which is safe to operate, economical to operate, and are free from objectionable drafts. Flue connections shall not allow exhaust gases to enter the living areas. Fuel tanks shall not be in close proximity to heat sources (at least 10 feet, or the standard recommended by the manufacturer or regulating code). Combustible materials shall not be stored in close proximity to heat sources and flues.
11. Electrical: All habitable rooms and other spaces requiring electrical service shall be provided with a system of wiring, wiring devices, and equipment to safely provide electrical energy for proper illumination, appliances, resident security, and other electrical equipment. There shall be at least two working outlets or one working outlet and one light switch in kitchens, corridors, bathrooms, bedrooms, utility rooms, and living rooms. At least 100 amp. Service shall be provided for houses that have 220-volt receptacles.

D. Marketability – These standards should only be used if necessary to assure the sale or rent-up of the rehabilitated property. As cosmetic items add cost to the property, they should only be used on a very limited basis. The following cosmetic items for marketability include:

1. Replacement of floor covering when the existing material would be considered aesthetically displeasing (non-neutral color, pattern, etc.)
2. Re-painting of interior and exterior wall when the existing color palette would be considered aesthetically displeasing (non-neutral color, pattern, etc.)

NOTE: Improvements for marketability is only allowed on a case-by-case basis and requires written approval from the sub-recipient before it is written into the work write up.

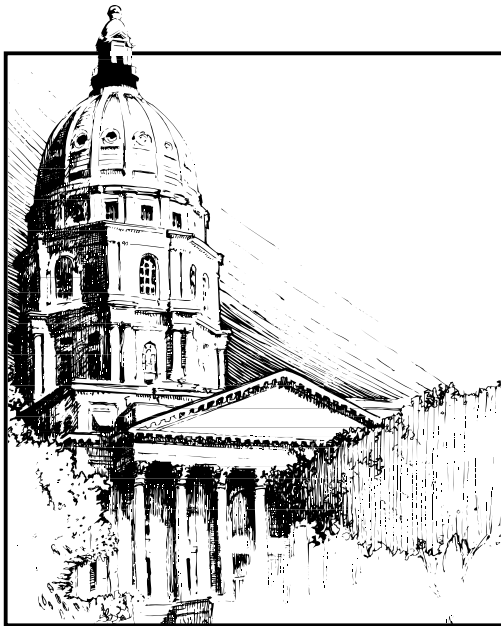
F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response:

Kansas Neighborhood Stabilization Program

Citizen Participation



Kansas Register

Ron Thornburgh, Secretary of State

Vol. 27, No. 46 November 13, 2008 Pages 1689-1726

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State of Kansas

**Department of Administration
Division of Facilities Management**

**Notice of Commencement of Negotiations for
"On-Call" Architectural Services**

Notice is hereby given of the commencement of negotiations for "on-call" architectural services for Kansas State University, Manhattan. Services are required for restricted (small) projects of \$750,000 or less; two firms will be selected. Contracts will be for one year, renewable for two additional one-year periods.

For more information concerning the scope of services, contact Abe Fattaey, (785) 532-1725. Firms interested in providing these services should be familiar with the requirements of Chapter 9 of the Building Design and Construction Manual at the Web site below.

To be considered, five (5) bound proposals and one (1) PDF file on a CD of the following should be provided: a letter of interest, an SF330 Part I, information regarding similar projects, and an SF330 Part II for each firm and consultant. Proposals should be concise and follow the 2008 State Building Advisory Commission guidelines, available to firms at <http://da.ks.gov/fp/> or by contacting Phyllis Fast, Division of Facilities Management, Suite 102, Landon State Office Building, 900 S.W. Jackson, Topeka, 66612, (785) 296-5796, Phyllis.Fast@da.ks.gov. Submittals should be received by Phyllis Fast before noon December 5.

Marilyn L. Jacobson, Director
Division of Facilities Management

Doc. No. 036420

State of Kansas

**Department of Administration
Division of Facilities Management**

**Notice of Annual Registration for
Kansas Contractors**

Pursuant to K.S.A. 75-37,143, to assist in the procurement of alternative project delivery (construction management at-risk and design-build) construction services, the Secretary of Administration shall encourage firms engaged in the performance of construction services to submit annually to the secretary and to the State Building Advisory Commission a statement of qualifications and performance data. Each statement shall include data relating to the following:

- (1) The firm's capacity and experience, including experience on similar or related projects;
- (2) the capabilities and other qualifications of the firm's personnel.

The annual statement of qualifications and performance data form must be a completed Federal SF330 Part II, submitted to Phyllis Fast, Division of Facilities Management, Suite 102, Landon State Office Building, 900 S.W. Jackson, Topeka, 66612, by December 31. In the transmittal or letter that accompanies the federal form, please indicate if your firm has a contractor's license.

Additional information concerning these services can be obtained at <http://www.da.ks.gov/fp/manual.htm>,

Chapter 4a, Procurement of Alternative Project Delivery Building Construction, or by contacting Phyllis Fast at (785) 296-5796, by fax at (785) 296-3456, or by e-mail at Phyllis.Fast@da.ks.gov.

Marilyn L. Jacobson, Director
Division of Facilities Management

Doc. No. 036419

State of Kansas

Department of Commerce

Notice of Amended CDBG Action Plan

The state of Kansas is applying for \$20,970,242 under the Housing and Economic Recovery Act, 2008. The program is titled Neighborhood Stabilization Program. The state of Kansas is submitting an amendment to its 2008 CDBG Action Plan to implement this program. A copy of this Action Plan can be found on the Kansas Department of Commerce Web site at www.kansascommerce.com. The plan will be posted not later than November 15, and public comments will accepted for 15 days. Comments may be made in writing and submitted to the Kansas Department of Commerce, Division of Rural Development, CDBG Program, 1000 S.W. Jackson, Suite 100, Topeka, 66612. For more information, call (785) 296-3004.

David D. Kerr
Secretary of Commerce

Doc. No. 036410

State of Kansas

**Department of Administration
Division of Facilities Management**

**Notice of Commencement of
Negotiations for Technical Services**

Notice is hereby given of the commencement of negotiations for air and water balancing services and commissioning of mechanical and electrical systems for state construction projects for a 12-month period from January 1, 2009 to December 31, 2009. Negotiations also are commencing for welding x-ray services, infrared testing services, and mechanical and electrical troubleshooting.

To be considered, the following should be provided: a letter of interest, an SF330 Part II, and information regarding similar services. For additional information, contact Phyllis Fast, Division of Facilities Management, Suite 102, Landon State Office Building, 900 S.W. Jackson, Topeka, 66612, (785) 296-5796, Phyllis.Fast@da.ks.gov. Submittals should be received by Phyllis Fast by December 19.

It is the intention of the division to pre-approve a separate group of qualifying firms and award projects on a rotational basis. If a firm anticipates being limited to specific-sized projects, by dollar volume or locations in the state, that information also should be supplied with the response. Proposing/interested firms are not required to provide all the services described in this ad.

Marilyn L. Jacobson, Director
Division of Facilities Management

Doc. No. 036415



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Kansas Department of Commerce to host Military Veterans Career Fairs

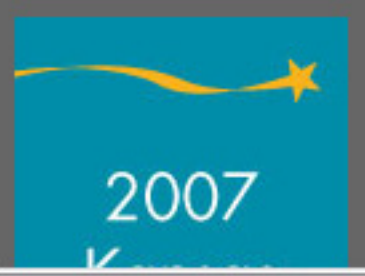
(Posted on Wednesday, November 5, 2008)

The Kansas Department of Commerce will host five Military Veterans Career Fairs today in five Kansas cities.

The Veterans Career Fairs will provide Kansas veterans a chance to meet area employers who are looking to hire various full- and part-time positions. Career Fair attendees will also receive resume-writing and job-search assistance, as well as information on certification, training and educational opportunities for veterans.

The times and locations are:

- **Pittsburg:** Memorial Auditorium, 10 a.m. - 3 p.m.
- **Hays:** American Legion Post 173, 4 - 7 p.m.
- **Overland Park:** American Legion, Dwight Cowles Post 370, 9 a.m. - 1 p.m.
- **Topeka:** VA Medical Center, Recreation Hall Building 24, 9 a.m. - 2 p.m.
- **Wichita:** Century II Exhibition Hall, 9 a.m. - 1 p.m.





KANSAS HOUSING

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Latest News:

HOUSING TAX CREDIT 2009 APPLICATION - A few minor edits have been made to the Housing Tax Credit Application form. Please use the new [2009 Application form](#) for any Housing Tax Credit applications to be filed in 2009.

Sweat Equity Earns Homes for 10 Greensburg Families; More Planned

Greensburg – City, state and federal officials joined Greensburg residents on Sunday to celebrate the completion of 10 new homes constructed under the "Community Self-Help Housing Program." A first-ever partnership between USDA Rural Development, Kansas Housing Resources Corporation (KHRC) and United Way of the Plains, this cooperative funding arrangement allows the City of Greensburg, working with Mennonite Housing Rehabilitation Services, to oversee the construction of affordable and energy-efficient, single-family homes. ([full story](#))

Affordable Senior Rental Housing Announced for Wamego

Wamego – New affordable rental housing serving the needs of seniors is coming to Wamego. Homestead Senior Residences Wamego L.P. will offer 32 affordable one and two-bedroom apartments for families on fixed and/or low incomes. ([full story](#))

Neighborhood Stabilization Program

In partnership with the Kansas Department of Commerce, Kansas Housing Resources Corporation is applying to the U.S. Department of Housing & Urban Development (HUD) for funding through the Neighborhood Stabilization Program, as authorized under the Housing and Economic Recovery Act of 2008. As a result of the formula allocation developed by HUD, Kansas is eligible to receive \$20,970,242. The application for these funds is in the form of an amendment to the **2008 Community Development Block Grant (CDBG) Action Plan**. Comments on the proposed amendment must be submitted in writing to the Kansas Department of Commerce, Division of Rural Development, CDBG Program, 1000 S.W. Jackson, Suite 100, Topeka, 66612, by November 30, 2008. For more information, call (785) 296-3004

Kansas Manufactured Housing Act - [KANSAS HOUSING RESOURCES CORPORATION ECONOMIC IMPACT STATEMENT - Notice of Public Hearing 1-13-09 - Manufactured Housing Installation](#)

HOUSING AGENCY AWARDS \$1.1 MILLION IN RENTAL ASSISTANCE

Funding Helps Eligible Families Secure Affordable Rental Housing While Working Toward Financial Independence
Topeka - Kansas Housing Resources Corporation (KHRC) today announced that eleven agencies located throughout the state will share more than \$1.1 million in Tenant Based Rental Assistance. ([Full Story](#)) ([List of Grantees](#))

Great Plains Development, Inc.

Web Site: www.gpdionline.com
(620) 227-6406 • FAX (620) 225-6051
P.O. Box 1116 • 100 Military Plaza, Suite 128 • Dodge City, Kansas 67801
An EDA Economic Development District and SBA Certified Development Company
An Equal Opportunity Lender, Provider and Employer

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Scott
Seward
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Stanton
Stevens
Wichita

November 25, 2008

Kansas Department of Commerce
Division of Rural Development
CDBG Division
1000 SW Jackson, Suite 100
Topeka, KS 66612

RE: Kansas NSP Action Plan

To Whom It May Concern:

A review of the Neighborhood Stabilization Amendment as posted on your website, detailing the structure of the disbursement of funds allows for all of the funds to go to counties in eastern Kansas. Nearly 16 million dollars (80%) is being allocated to participants in the HUD entitlement program areas in Kansas. These areas include Kansas City, Wichita, Topeka, Lawrence, Leavenworth, Overland Park and all of Johnson County. The remaining 20% is allocated to 15 counties in eastern Kansas. No funds are considered for 80% of Kansas counties which includes the entire western half of the state.

It is a sad situation when banks and other financial institutions encourage their trained financial lenders to make home loans at 125% loan to value, to persons with low credit scores and requiring payments that are too high for the family income. The bank receives their fees or commissions, increasing their income at the expense of the new home owner.

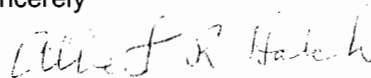
It might be of interest to know who the original lenders were that made the 16,760 loans that have been foreclosed on. If those lenders are already receiving dollars from the congressional stimulus package, perhaps they should be disqualified from the NSP funds.

The number of foreclosures in all of western Kansas is not near the minimum number for NSP funds set by Commerce. The reason is simple, lenders in western Kansas do not set people up to lose their homes.

Let this letter go on record that the taxpayers of western Kansas are not happy with the present allocation of the NSP funds. The original 12 region allocation spread the funds across the entire state.

It would be nice if the next time funds are available through a program that 80% comes to western Kansas and let the other half of the state feel left out.

Sincerely



Albert R. Hatch
President

From: Kellie Kemper [KKemper@hcci-ks.org]
Sent: Tuesday, November 25, 2008 12:19 PM
To: Rural Development; kmorgan@kscommerce.com
Cc: Bob Mackey; Kellie Kemper
Subject: Comments on Kansas NSP Action Plan



Housing and Credit Counseling, Inc. (HCCI) is interested in providing housing counseling for individuals/families receiving homebuyer assistance through the NSP. The Federal Register stated that the assisted homebuyer should receive counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan. HCCI, a HUD-approved and certified agency, would be interested in providing this service as it relates to the NSP.

We would like to encourage the recipients' of these funds to contact us to discuss how HCCI can assist in providing the required counseling detailed in the Federal Register.

Bob Mackey, HCCI Executive Director, has communicated with Ken Morgan at the Department of Commerce regarding these services and we wanted to reiterate our interest and qualifications to provide the required homebuyer counseling as the NSP action plan is finalized.

Thank you for your consideration.

Kellie Kemper
Director of Agency Programs
HCCI - Housing and Credit Counseling, Inc.
Counseling, Inc.
785-234-0217 ext. 306

Bob Mackey
Executive Director
HCCI-Housing and Credit
Counseling, Inc.
785-234-0217 ext 308



November 25, 2008

**Kenneth L. Morgan, CPA
Kansas Department of Commerce
Community Development Division
1000 S. W. Jackson Street, Suite 100
Topeka, Kansas 66612-1354**

Re: Neighborhood Stabilization Program/30 day Comment and Appeal Submission

Dear Mr. Morgan:

Attached, you will find comments and a funding appeal on the above referenced matter.

As you are aware, your office released information related to funding recommendations on October 30, 2008. It was at that time that the thirty day comment period commenced with regard to your Amended Consolidated Plan. The Unified Government's concerns and appeals are as follows:

Demolition Funding Use Restriction

Your plan stipulates that a sub-grantee would be restricted in its use of NSP funds to 10 per cent of a sub-grantee's allocation. Given the proposed allocation of \$3,615,528 for Wyandotte County a strict adherence to this requirement would restrict and limit our community's demolition funding to \$361,553. This amount is far below our revised budget submission of \$526,732, representing the demolition costs for an approximate 88 structures.

Kansas City, Kansas is a mature and older urban core community. The age and condition of many of the foreclosed properties within our community necessitates demolition along with redevelopment activity. Additionally, historically our CDBG demolition initiatives have supported an average of 125 units demolished annually since 2002, exclusive of foreclosed properties.

In order to bring about stability within our highest impacted neighborhoods it is imperative that you set aside your ten per cent restriction rule for Wyandotte County.

NSP Appeal of Funding Award

The recent release of the distribution of Neighborhood Stabilization Program (NSP) funds indicates that Wyandotte County received an amount that may not be indicative of our communities need to stabilize

neighborhoods impacted by the foreclosure situation. Our organization feels that our community has a higher need than what is indicated by the funds received. Further, focusing on only counties in an urban situation, we feel Wyandotte County has an even stronger case in receiving additional funds. Please see the bullets below for reasons Wyandotte County is requesting additional NSP funds be allocated to our community.

- Focusing on the top 5 recipients of the Neighborhood Stabilization Program (NSP) funds*, Wyandotte County had a weighted HUD risk score of 9.3 and the other four counties had a combined weighted score of 4.8. This indicates that Wyandotte County neighborhoods will continue to suffer from the foreclosure situation in the future.

(Note: Weighted averages computed by the Unified Government's Research Division staff using HUD risk dataset.)

- Foreclosures impacted 5.3% of all housing units with 4 or less units in Wyandotte Co. This is compared to 2.2% for the other top four counties receiving NSP funds.

(Source: 2007 American Community Survey, US Census Bureau & HUD dataset)

- Wyandotte County has the highest percent (79.0%) of the population at or below 120% area median income (AMI) among all Kansas counties. Further, among the top 5 recipients of the NSP funds, Wyandotte County's 79.0% of the population at or below 120% AMI is compared to the remaining four counties combined 54.8% of persons at or below 120% AMI.

* Top five recipients of the NSP funds are the counties of Sedgwick, Johnson, Wyandotte, Shawnee and Leavenworth.

Note: All data is Housing and Urban Development data (HUD) unless indicated otherwise.

In conclusion, we understand the directive from HUD to distribute NSP funds proportionally based on the number of foreclosures in each county eligible to receive these funds. Further, it is also our understanding that the ultimate goal is to stabilize communities. It is this later statement that we feel implied to ask for an increase in the allocation of funds to Wyandotte County. From the supporting statements above it can be seen that not only will Wyandotte County continue to be heavily affected by foreclosures but this situation will have a detrimental effect on the stabilization of our neighborhoods.

If you have concerns or questions about these matters please do not hesitate to call upon me.

Sincerely,

LaVert A. Murray
Director
Unified Government Department of Development

C; Salih Doughramaji, KDOC
Gary Allsup, KDOC
Brad Reiff, KDOC
Dennis Hays, County Administrator

Doug Bach, Deputy County Administrator
Mike Grimm, Research Division
Lew Levin, Acting CFO
Sharon McMillan
Jackie Hampton, Program Supervisor
Wilba Miller, Program Supervisor
CDBG Budget Committee
Mayor and Unified Government Commission

From: Rural Development
Sent: Wednesday, November 26, 2008 7:53 AM
To: Ken L. Morgan
Subject: FW: Comments/Questions on Kansas NSP Action Plan

From: Margene Swarts [mswartz@ci.lawrence.ks.us]
Sent: Tuesday, November 25, 2008 4:10 PM
To: Rural Development
Cc: Scott McCullough; Danelle Dresslar; Roger Zalneraitis
Subject: Comments/Questions on Kansas NSP Action Plan

From the Planning and Development Services Department of the City of Lawrence, we have the following comments/questions.

1. When/How was the notification sent to the local communities that the document was posted on the website and was available for comment? PDS staff had been waiting for the State of Kansas NSP information for review and could not find it on the website until today.
2. Even though we understand the comment period was revised to be 15 days instead of 30, this particular time frame is unfortunate as four of the 15 days include a holiday and weekend when most government offices, including the State of Kansas, are closed, so technically the comment period closes 11-26-08 and not 11-30-08.
3. From the NSP Substantial Amendment: "In order to properly plan for this program, Commerce staff met with representatives from across the State on 10-20-08 in Topeka." How was the representation for this meeting and most especially, Douglas County/Lawrence chosen? Who was notified of the meeting? Was it by invitation only?
4. From the NSP Substantial Amendment: "Area representatives were then asked to design their NSP programs based on local needs." Who is the area representative for Douglas County? How was the local need for Douglas County determined and who determined the need?
5. Is Douglas County in the Northeast Service area? While this can be assumed, it is not so noted in the document.

The City of Lawrence looks forward to an opportunity to participate in the statewide NSP. Thank you for your consideration.
MKS

Margene K. Swarts, *Assistant Director*,
mswartz@ci.lawrence.ks.us
Planning and Development Services Department
Development Services | [City of Lawrence, Kansas](#)
1 Riverfront Plaza, Level 1, Suite 110
P.O. Box 708, Lawrence, KS 66044
office 785-832-3117 | fax 785-832-3110

From: Bill Bolin [bbolin@sckedd.org]
Sent: Wednesday, November 26, 2008 5:21 PM
To: Rural Development
Cc: Ken L. Morgan; Frances Garcia; Inge Luntsford; Sherdeill Breathett
Subject: Neighborhood Stabilization Program (NSP) Comment

Date: November 26, 2008

To: Kansas Department of Commerce - Rural Development
(via e-mail to ruraldev@kansascommerce.com)

From: Bill Bolin, Executive Director
South Central Kansas Economic Development District, Inc.
209 E. William, Suite 300
Wichita, Kansas 67202

The South Central Kansas Economic Development District (SCKEDD) appreciates the opportunity to work within this program as a sub-grantee. It is our understanding that our present grant allocation is \$1,803,516. Those funds are to be used in all five of NSP's program areas. The geographic area to be served is the five counties of Butler, Cowley, Harvey, Reno, and Sumner. Sedgwick County is being served by a grant to the City of Wichita. To South Central Kansas this means that only six of its fourteen counties will receive help under the NSP.

SCKEDD originally was to serve all thirteen of its counties, outside Sedgwick County, plus Chase County. It is our understanding that U.S. Department of Housing and Urban Development would not allow the Kansas Department of Commerce to allocate funds to all the counties in Kansas. Kansas is now trying to serve twenty-one counties.

It is SCKEDD's goal is to quickly accomplish NSP's goals. However, we want to have every opportunity to avoid funds originally allocated to South Central Kansas being reallocated to another area. SCKEDD is requesting that if within the first nine months of the program it is determined that it will be difficult to expend the funds, within the rapid manner required by the program; that KDOC allow SCKEDD to fund projects within its remaining unserved counties.

SCKEDD staff has reviewed the elements of carrying out the operations of the program. Based upon today's telephone conversation with Mr. Morgan, we understand that the operations are broad based in scope. With that in consideration, we do not have any comments on the operations as outlined in your proposal.

SCKEDD would suggest that if after the first nine month period has lapsed, and the NSP funds are not being used quickly enough to meet NSP's goals, the KDOC be granted permission by HUD to expand the program to presently unserved counties.

November 28, 2008

Kansas Department of Commerce
CDBG – NSP Program
1000 SW Jackson St., Suite 100
Topeka, Kansas 66612-1354

Re: Public Comment on NSP Program Proposal

After a conference call with staff, board members and legislator's representatives, the Northwest Kansas Planning & Development Commission is filing an official objection to the proposed modified Neighborhood Stabilization Program.

We understand the concept to "use the funds to make the most impact." Naturally, the raw foreclosure numbers are going to be higher in the metro or populated areas of the State as compared to the rural areas. That is evident in the Kansas NSP proposal for the 21 counties which shows over 62% of the foreclosures in the Sedgwick, Johnson and Wyandotte Counties (3 of the most populated counties). Why put any funds in the rural areas? A greater raw number impact will always be seen in the populated areas. Using strictly percentages, purchasing and fixing 2 foreclosed homes in Grainfield, with a population of 300, will have more impact than purchasing 150 homes in Wichita.

From the conference call, all participants have a hard time with a large percentage of the funds going to Johnson County, one of the highest income counties in the United States. Granted, there are higher raw numbers of foreclosed homes, but residents in that county enjoyed substantial appreciation in their homes over the past 20 years. The rural areas did not enjoy that appreciation in value. Conservative rural banks did not make near the percentage of bad loans to individuals, who knew they would not be able to repay the loan and relied on the appreciation value and ability to "turn" the house for a sizable profit in a couple of years. Then they start the process all over again. That all works fine as long as the value keeps going up, but that "bubble" burst and homes declined in value. Now we are bailing out the banks for the bad loans they made. We do not have the figures to verify this, but it is estimated that most of the foreclosed homes are well above the affordable range for 50%, or even 120% of the median income families. Are we going to sell these \$120,000 homes to LMI families for \$40,000 (an affordable price range)?

The final concern is the windfall in administration these larger county regions will enjoy. Using Sedgwick County as an example, with 22% of the foreclosures, they could potentially get over \$4.5 million and at 7% receive over \$300,000 in strictly administration funding for that regions administrator.

The conclusion of the conference call recommended the Kansas Department of Commerce continue with the original proposal in designating the certain dollar amounts to the regions, thus ALL Kansas counties have the ability to benefit.

Sincerely,
Randall J. Hrabe
Executive Director
Northwest Kansas Planning & Development Commission

State Response to Citizen Participation Comments

Great Plains Development and Northwest Regional Planning Commission

We regret having to eliminate western Kansas from NSP participation. Congress mandated through HERA, that areas of greatest need be served through this program. Even though western Kansas may be affected by foreclosures, it did not rise to the level of need experienced in the major metro areas of the state where thousands of foreclosures have occurred in a relatively small area.

Unified Government of Wyandotte County

Demolition: Through the 10 percent cap on demolition, the state has attempted to keep the NSP program from turning in to demolition program across the state. State staff understands that there is a tremendous need for demolition in the Kansas City area. To that end, we keep the door open to the possibility of additional demolition activity after the initial nine month period has expired. Staff suggests that UG maintain a list of potential demolition projects on hand in the event additional dollars become available.

NSP Funding Appeal: Region VII, HUD Staff highly suggested that State staff make its funding allocation based on raw foreclosure data. As was stated earlier, the UG may have an opportunity for additional funding after the Program's initial nine month period expires and additional funds become available. Staff suggests that the UG maintain a list of eligible activities it would like to undertake in order to be ready when the Program's ninth month expires.

South Central Kansas Economic Development District

NSP Funding Appeal: Region VII, HUD Staff highly suggested that State staff make its funding allocation based on raw foreclosure data. As was stated earlier, the SCKEDD may have an opportunity for additional funding after the Program's initial nine month period expires and additional funds become available. Staff suggests that the SCKEDD maintain a list of eligible activities it would like to undertake in order to be ready when the Program's ninth month expires.

City of Lawrence

Through the Kansas Register all of Kansas was notified of the proposed Action Plan. Congress mandated the 15-day comment period. State staff was given six weeks to create the NSP program. Congress set December 1, 2008 as the deadline to submit the State's Action Plan. This includes the 15-day comment period.

In State's design of the NSP program it was determined that the areas of greatest need were centered on the four largest metro areas of the state. The other 17 counties were grouped into areas fitting regional areas served by organizations that participate in the State's Small Cities CDBG program. In the case of Douglas County, RDA of Northeast Kansas was chosen to represent the northeast region of the state.

Housing and Credit Counseling, Inc.

The HCCI may offer its services to any of the sub-grantees after NSP grant award.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Establish Financing Mechanisms**

(2) Activity Type: Department of Commerce will provide NSP funds to sub-grantees to facilitate the purchase of homes by persons with income less than or equal to 120% of AMI. Such loan funds may serve as gap financing, forgivable or soft loans and down payment assistance.

(3) National Objective: **LMMI, LMMA, LMMH**

(4) Projected Start Date: February 15, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization:

Kansas Department of Commerce
Division of Rural Development
1000 SW Jackson, Suite 100
Topeka, KS 66612

(7) Location Description: Based on the number of foreclosures in Kansas, 21 counties will receive an NSP award.

(8) Activity Description: NSP funds will be made available to income qualified home buyers in the form of forgivable or soft loans in order to facilitate homeownership. Such funds are only provided to homebuyers who require a little help to facilitate the purchase of a home. Each county will be give latitude to set its level of support as the level of need will be different between the larger metro areas and the more rural counties.

(9) Total Budget: \$1,058,179

(10) Performance Measures: Based on available data, Commerce staff anticipates 46 forgivable or soft loans being made for a total of \$1,137,827 to person earning no more than 120% of AMI in the counties in which the loans are make.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Purchase, Rehabilitate, Sell Foreclosed Homes**

(2) Activity Type:

CDBG Eligible Activity:

24 CFR 570.201: Acquisition, Disposition, Relocation, Direct Homeownership Assistance to persons whose incomes do not exceed 120% of median income

24 CFR 570.202: Eligible rehabilitation and preservation activities for homes and other residential properties; includes counseling.

(3) National Objective: The NSP program will provide or improve permanent residential structures that will be occupied by persons whose income is at or below 120% of area median income (**LMMH**).

(4) Projected Start Date: February 15, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization:

Kansas Department of Commerce
Division of Rural Development
1000 SW Jackson, Suite 100
Topeka, KS 66612

(7) Location Description: Based on the number of foreclosures in Kansas counties, 21 counties will receive an NSP award.

(8) Activity Description: Under this activity, each of the state's 21 sub-grantees will purchase, rehabilitate, and sell foreclosed-upon properties to persons or families earning no more than 120% of AMI. Homeowners of newly acquired properties will be required to reside in their homes for a period of three years in order for all covenants or assistance restrictions to expire.

A minimum discount rate of 5% will be set for each home bought from a bank or lending institution. Sub-grantees will have the option to increase the discount rate if they so desire.

Potential homebuyers must secure private financing prior to making a bid on NSP acquired homes. However, supplemental downpayment assistance could be provided through the financing mechanism described above, if a potential homeowner demonstrates need and is otherwise a worthy borrower.

(9) Total Budget: \$12,499,279

(10) Performance Measures: Sub-grantees estimate they will purchase 201 homes, rehabilitate 181 homes, and sell 201 homes in the 21 counties participating in the NSP program.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Established Land Banks**

(2) Activity Type: Establish Land Banks in Wyandotte and Shawnee Counties in order to hold properties for future development. Additional counties may wish to implement land banks of their own after NSP awards are made.

(3) National Objective: **LMMI, LMMH**. The redevelopment of these properties will serve persons or families earning no more than 50% of AMI. In order to maintain the affordability of the redeveloped properties, covenants will be placed on each property mandating the continued affordability of the properties to persons earning no more than 50% of AMI.

(4) Projected Start Date: February 15, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization:

Kansas Department of Commerce
Division of Rural Development
1000 SW Jackson, Suite 100
Topeka, KS 66612

(7) Location Description: Based on the number of foreclosures in Kansas counties, 21 counties will receive an NSP award.

(8) Activity Description: Establish land banks to hold properties acquired through the NSP for redevelopment purposes. Redeveloped properties will be targeted to persons or families earning no more than 50% of AMI.

(9) Total Budget: \$126,990

(10) Performance Measures: Establish four land banks to serve the NSP program.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Demolish Blighted Structures**

(2) Activity Type: 24 CFR 570.201 (d) Clearance, for blighted structures only

(3) National Objective: LMMA. The redevelopment of these properties will serve persons or families earning no more than 50% of AMI. In order to maintain the affordability of the redeveloped properties, covenants will be placed on each property mandating the continued affordability of the properties to persons earning no more than 50% of AMI.

(4) Projected Start Date: February 15, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization:

Kansas Department of Commerce
Division of Rural Development
1000 SW Jackson, Suite 100
Topeka, KS 66612

(7) Location Description: Based on the number of foreclosures in Kansas counties, 21 counties will receive an NSP award.

(8) Activity Description: Demolish blighted structures in each of the 21 participating counties in Kansas. Once cleared, properties will be ready for redevelopment. Redeveloped properties will be targeted to persons or families earning no more than 50% of AMI. At minimum, unsafe structures will be removed from many parts of the state. However, in order to keep the NSP program from becoming a demolition program, Commerce staff has placed a 10% cap on each sub-grantee award that can be used for demolition.

(9) Total Budget: \$1,537,464

(10) Performance Measures: Sub-grantees will acquire 144 blighted units that will be demolished for redevelopment purposes.

G. *NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)*

(1) Activity Name: **Redevelop Demolished or Vacant Properties**

(2) Activity Type: 24 CFR 570.20 (a), (b), (c), (e), (i), (n)

(3) National Objective: Properties developed under this heading will serve persons or families earning no more than 50% of AMI (**LMMA, LMMH**). In order to maintain the affordability of the redeveloped properties, covenants will be placed on each property mandating the continued affordability of the properties to persons earning no more than 50% of AMI.

(4) Projected Start Date: February 15, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization:

Kansas Department of Commerce
Division of Rural Development
1000 SW Jackson, Suite 100
Topeka, KS 66612

(7) Location Description: Based on the number of foreclosures in Kansas counties, 21 counties will receive an NSP award.

(8) Activity Description: Sub-grantees will undertake to redevelop buildings or vacant land by constructing dwellings that will be rented or sold to persons earning no more than 50% of AMI.

(9) Total Budget: \$3,651,306

10) Performance Measures: 28 dwelling units will be redeveloped under this activity.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

- (1) Activity Name: **State Administration Fees**
- (2) Activity Type: NSP Administration
- (3) National Objective: 24 CFR 570.205 and 206
- (4) Projected Start Date: February 15, 2009
- (5) Projected End Date: July 30, 2013
- (6) Responsible Organization:

Kansas Department of Commerce
Division of Rural Development
1000 SW Jackson, Suite 100
Topeka, KS 66612

- (7) Location Description: Administration fees are to administer the NSP in the state of Kansas.
- (8) Activity Description: NSP Administration
- (9) Total Budget:

State Administration	\$629,107
Program Activity Administration (As per activity breakdowns)	\$1,467,917
Total	\$2,097,024

- (10) Performance Measures: Administration of Neighborhood Stabilization Program

CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds ≤ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120% of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-

income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.

Signature/Authorized Official

Date

Title

Original Neighborhood Stabilization Program Request

Exhibit A

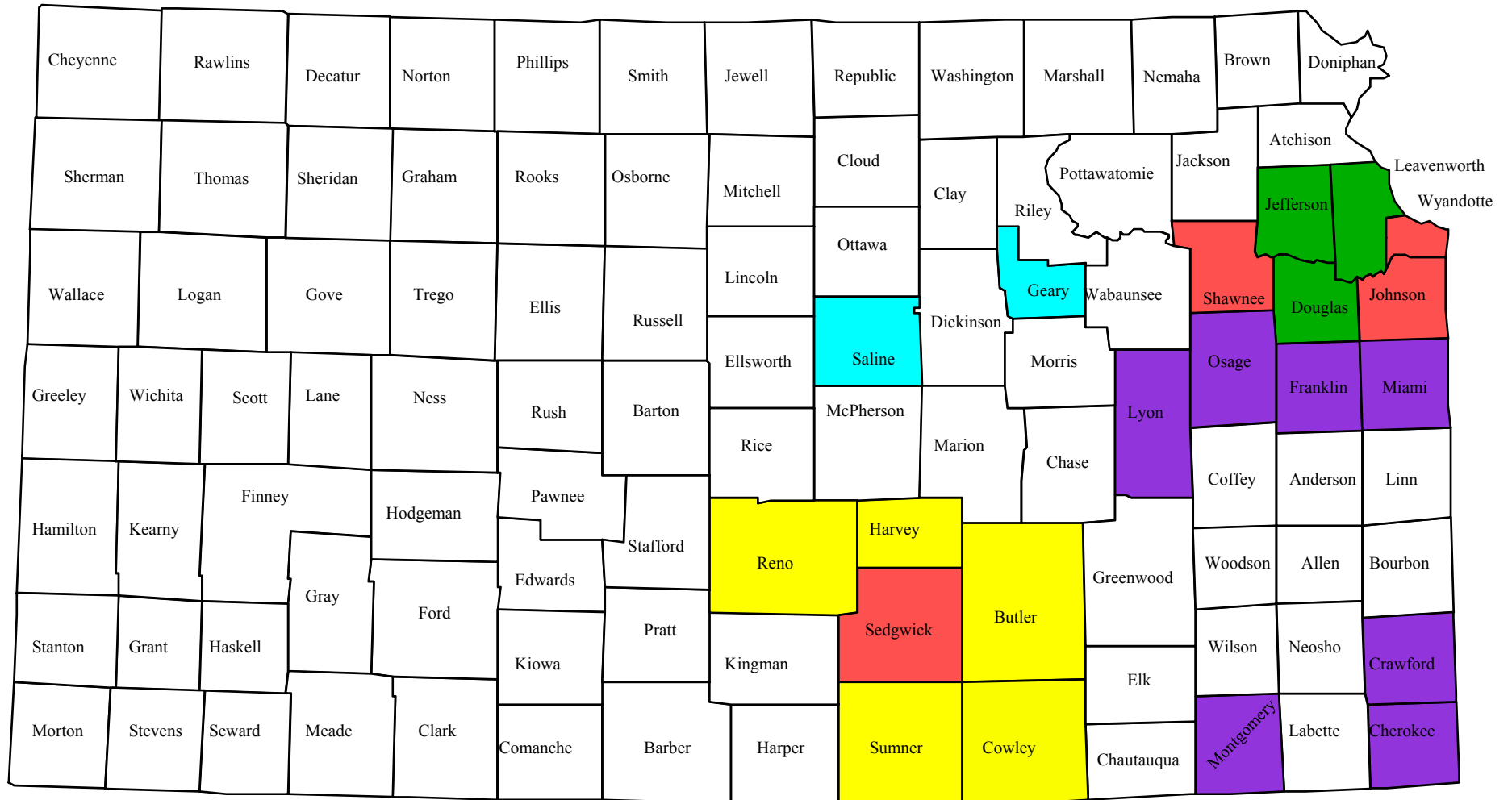
Service Area	Purchase and Rehab of Housing Units	Purchase and Demolition of Housing Units	Redevelopment	Land Bank	Financing Mechanisms	Total Budgets
Northwest	# Acquisition 15 # Rehabilitation 15 Budget \$1,492,650	# Acquisition 6 # Rehabilitation 6 Budget \$108,000	Redevelopment Budget	Budget	# of Loans 15 Budget \$96,311	\$1,696,961
Southwest	# Acquisition 25 # Rehabilitation 25 Budget \$2,402,150	# Acquisition 30 # Rehabilitation 30 Budget \$416,000	Redevelopment Budget	Budget	# of Loans Budget	\$2,818,150
South Central	# Acquisition 26 # Rehabilitation 26 Budget \$3,339,555	# Acquisition 3 # Rehabilitation 3 Budget \$100,956	Redevelopment 3 Budget \$446,259	Units 6 Budget \$321,000	# of Loans 8 Budget \$293,715	\$4,501,485
Southeast	# Acquisition 162 # Rehabilitation 73 Budget \$9,978,266	# Acquisition 44 # Rehabilitation 44 Budget \$246,400	Redevelopment 4 Budget \$596,400	Budget	# of Loans Budget	\$10,821,066
Northeast	# Acquisition 45 # Rehabilitation 15 Budget \$4,020,000	# Acquisition 9 # Rehabilitation 9 Budget \$234,000	Redevelopment Budget	Budget	# of Loans Budget	\$4,551,780
North Central	# Acquisition 18 # Rehabilitation 18 Budget \$1,522,773	# Acquisition 5 # Rehabilitation 5 Budget \$99,775	Redevelopment Budget	Budget	# of Loans Budget	\$1,622,548
Sedgwick Co.	# Acquisition 30 # Rehabilitation 30 Budget \$3,500,000	# Acquisition 6 # Rehabilitation 6 Budget \$125,000	Redevelopment 6 Budget \$625,000	Budget	# of Loans Budget \$750,000	\$5,000,000
Wyandotte Co.	# Acquisition 48 # Rehabilitation 96 Budget \$5,760,000	# Acquisition 300 # Rehabilitation 300 Budget \$1,800,000	Redevelopment 10 Budget \$1,560,000	Budget \$16,800	# of Loans 35 Budget \$2,040,000	\$12,000,000
Shawnee Co.	# Acquisition 20 # Rehabilitation 20 Budget \$1,380,000	# Acquisition 14 # Rehabilitation 14 Budget \$154,000	Redevelopment 7 Budget \$770,000	Budget \$37,500	# of Loans Budget	\$2,341,500
Johnson Co. Johnson Co. Human Services and Aging	# Acquisition 5 # Rehabilitation 5 Budget \$963,000	# Acquisition # Rehabilitation	Redevelopment Budget	Budget	# of Loans Budget	\$963,000
Johnson Co. City of Overland Park	# Acquisition 8 # Rehabilitation 8 Budget \$1,284,000	# Acquisition 8 # Rehabilitation 8 Budget \$256,800	Redevelopment 8 Budget \$428,000	Budget	# of Loans Budget	\$1,968,800
Johnson Co. City of Olathe	# Acquisition 5 # Rehabilitation 5 Budget \$1,230,000	# Acquisition # Rehabilitation	Redevelopment 10 Budget \$2,461,000	Budget	No. of Loans Budget	\$3,691,000
Totals	# Acquisition 399 # Rehabilitation 331 Budget \$36,872,394	# Acquisition 6 # Rehabilitation 425 Budget \$3,540,931	Redevelopment 48 Budget \$6,886,659	0 6 Budget \$375,300	0 58 Budget \$3,180,026	\$50,855,310

Modified Neighborhood Stabilization Program Requests

Exhibit B

Service Area	Administration	Purchase and Rehab of Housing Units	Purchase and Demolition of Housing	Redevelopment	Land Bank	Financing Mechanisms	Total Budgets
State Administration	\$629,106						\$629,106
Northwest		# Acquisition # Rehabilitation Budget	# Acquisition # Demolition Budget	Redevelopment Budget	Budget	# of Loans Budget	\$0
Southwest		# Acquisition # Rehabilitation Budget	# Acquisition # Demolition Budget	Redevelopment Budget	Budget	# of Loans Budget	\$0
South Central	\$130,151	# Acquisition 13 # Rehabilitation 13 Budget \$1,325,670	# Acquisition 1 # Demolition 1 Budget \$31,296	Redevelopment 1 Budget \$139,270	Budget \$49,755	# of Loans 14 Budget \$127,373	\$1,803,516
Southeast	\$143,113	# Acquisition 68 # Rehabilitation 48 Budget \$1,432,500	# Acquisition 25 # Demolition 25 Budget \$130,200	Redevelopment 2 Budget \$277,326	Budget	# of Loans Budget	\$1,983,140
Northeast	\$128,925	# Acquisition 20 # Rehabilitation 20 Budget \$1,547,547	# Acquisition 3 # Demolition 3 Budget \$72,540	Redevelopment Budget	Budget \$37,513	# of Loans Budget	\$1,786,525
North Central	\$33,633	# Acquisition 6 # Rehabilitation 6 Budget \$400,077	# Acquisition 5 # Demolition 5 Budget \$32,341	Redevelopment Budget	Budget	# of Loans Budget	\$466,050
Sedgwick Co.	\$331,333	# Acquisition 30 # Rehabilitation 30 Budget \$3,367,187	# Acquisition 5 # Demolition 5 Budget \$93,000	Redevelopment 5 Budget \$465,000	Budget	# of Loans 15 Budget \$334,800	\$4,591,319
Wyandotte Co.	\$260,915	# Acquisition 28 # Rehabilitation 28 Budget \$1,351,279	# Acquisition 88 # Demolition 88 Budget \$946,696	Redevelopment 3 Budget \$455,786	Budget \$4,846	# of Loans 17 Budget \$596,006	\$3,615,528
Shawnee Co.	\$117,363	# Acquisition 15 # Rehabilitation 15 Budget \$809,506	# Acquisition 11 # Demolition 11 Budget \$111,979	Redevelopment 5 Budget \$552,597	Budget \$34,875	# of Loans Budget	\$1,626,320
Johnson Co. Johnson Co. Human Services and Aging	\$99,971	# Acquisition 9 # Rehabilitation 9 Budget \$986,808	# Acquisition # Demolition Budget	Redevelopment 6 Budget \$298,530	Budget	# of Loans Budget	\$1,385,309
Johnson Co. City of Overland Park	\$167,693	# Acquisition 6 # Rehabilitation 6 Budget \$573,842	# Acquisition 6 # Demolition 6 Budget \$119,412	Redevelopment 6 Budget \$1,462,797	Budget	# of Loans Budget	\$2,323,744
Johnson Co. City of Olathe	\$54,823	# Acquisition 6 # Rehabilitation 6 Budget \$704,863	# Acquisition # Demolition Budget	Redevelopment Budget	Budget	# of Loans Budget	\$759,686
Totals	\$2,097,025	# Acquisition 201 # Rehabilitation 181 Budget \$12,499,279	# Acquisition 144 # Demolition 144 Budget \$1,537,464	Redevelopment 28 Budget \$3,651,306	0 Budget \$126,990	# of Loans 46 Budget \$1,058,179	\$20,970,242

Kansas Neighborhood Stabilization Program Service Areas



2009 Fair Market Rents

Effective October 1, 2008

County/MSA/HMFA	Efficiency	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Kansas City HMFA	573	689	791	1,070	1,126
Lawrence MSA	539	554	712	1,040	1,250
Topeka MSA	473	515	630	799	840
Wichita HMFA	430	481	632	808	909
Allen	412	417	547	725	789
Anderson	395	440	547	705	767
Atchison	430	479	587	855	1,031
Barber	356	419	547	712	840
Barton	355	428	547	727	941
Bourbon	397	422	547	790	891
Brown	430	479	587	855	1,031
Chase	382	417	547	696	718
Chautauqua	395	440	547	705	767
Cherokee	456	473	547	766	940
Cheyenne	410	416	547	700	720
Clark	474	478	582	708	777
Clay	425	466	573	735	905
Cloud	424	432	547	718	742
Coffey	382	417	547	696	718
Comanche	356	419	547	712	840
Cowley	365	447	547	693	713
Crawford	388	454	598	806	898
Decatur	410	416	547	700	720
Dickinson	356	415	547	659	812

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Wichita HMFA includes: Butler, Harvey and Sedgwick Counties

<i>County/MSA/HMFA</i>	<i>Efficiency</i>	<i>1 Bdrm</i>	<i>2 Bdrm</i>	<i>3 Bdrm</i>	<i>4 Bdrm</i>
Doniphan	370	457	569	716	850
Edwards	356	419	547	712	840
Elk	395	440	547	705	767
Ellis	393	445	585	809	847
Ellsworth	424	432	547	718	742
Finney	481	482	622	755	957
Ford	501	502	604	744	794
Franklin	508	509	631	804	859
Geary	389	461	566	750	838
Gove	410	416	547	700	720
Graham	410	416	547	700	720
Grant	474	478	582	708	777
Gray	474	478	582	708	777
Greeley	474	478	582	708	777
Greenwood	382	417	547	696	718
Hamilton	474	478	582	708	777
Harper	356	419	547	712	840
Haskell	474	478	582	708	777
Hodgeman	474	478	582	708	777
Jewell	424	432	547	718	742
Kearny	474	478	582	708	777
Kingman	356	419	547	712	840
Kiowa	356	419	547	712	840
Labette	356	426	547	741	763
Lane	474	478	582	708	777

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<i>County/MSA/HMFA</i>	<i>Efficiency</i>	<i>1 Bdrm</i>	<i>2 Bdrm</i>	<i>3 Bdrm</i>	<i>4 Bdrm</i>
Lincoln	424	432	547	718	742
Logan	410	416	547	700	720
Lyon	356	416	547	731	865
McPherson	455	456	547	716	736
Marion	382	417	547	696	718
Marshall	425	466	573	735	905
Meade	474	478	582	708	777
Mitchell	424	432	547	718	742
Montgomery	392	438	547	673	837
Morris	425	466	573	735	905
Morton	474	478	582	708	777
Nemaha	430	479	587	855	1,031
Neosho	354	426	547	651	957
Ness	474	478	582	708	777
Norton	410	416	547	700	720
Osborne	410	416	547	700	720
Ottawa	424	432	547	718	742
Pawnee	356	419	547	712	840
Phillips	410	416	547	700	720
Pottawatomie	370	513	569	724	835
Pratt	356	417	547	709	836
Rawlins	410	416	547	700	720
Reno	390	434	569	780	802
Republic	424	432	547	718	742
Rice	396	432	547	725	748

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<i>County/MSA/HMFA</i>	<i>Efficiency</i>	<i>1 Bdrm</i>	<i>2 Bdrm</i>	<i>3 Bdrm</i>	<i>4 Bdrm</i>
Riley	447	483	599	872	1,051
Rooks	410	416	547	700	720
Rush	356	419	547	712	840
Russell	410	416	547	700	720
Saline	453	454	598	797	820
Scott	474	478	582	708	777
Seward	410	504	583	716	868
Sheridan	410	416	547	700	720
Sherman	403	416	547	686	708
Smith	410	416	547	700	720
Stafford	356	419	547	712	840
Stanton	474	478	582	708	777
Stevens	474	478	582	708	777
Sumner	354	416	547	736	857
Thomas	407	415	547	695	716
Trego	410	416	547	700	720
Wallace	410	416	547	700	720
Washington	424	432	547	718	742
Wichita	474	478	582	708	777
Wilson	395	439	547	703	765
Woodson	395	440	547	705	767

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